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ST. JOSEPH NEWS-PRESS

Friday, March 20, 1987

Group to discuss fate of chemicals

There will be a special meeting of the Citizens Against Banned Chemicals group Saturday at 4 at the East Side Human Resource Center.

The topic will be the destruction of chemicals within St. Joseph. All persons interested in the control of dangerous chemicals are welcome. The group will hold its regular meeting Tuesday, also at East Side, beginning at 6 p.m.

Private firm now guarding Byers Warehouse

St. Joseph police officers are no longer guarding the Byers Warehouse 24 hours a day — a task that kept an officer from each eight-hour shift from patrolling the streets and cost the city more than \$50,000.

Starting at midnight Monday, Wells Fargo, a private security firm, assumed the round-the-clock watch over the building, City Manager Michael G. Miller said.

Wells Fargo's watch probably will last until the toxic chemicals are removed from the warehouse.

Miller said the city signed a contract with Wells Fargo to take over the watch. The police department had just about depleted

its overtime budget in maintaining the vigil.

The city manager said the main reason for turning to a private security firm is "basically to keep the costs down."

"It will also free up our police officers for more efficient uses and it will accomplish the same purpose, which is to keep the building secure and make sure no one gets in there for their own protection and to protect the building against arson," Miller said.

The city's cost to have a police officer watching the building ran between \$171 and \$311 a day. The money for that came from a salaries account built up while

the department was operating with seven vacancies.

Estimates show that the Wells Fargo watch will cost the city only \$132 to \$160 a day.

Police had watched the warehouse since early August 1986 when two police officers were overcome with toxic fumes while investigating an open door at the warehouse.

City officials have taken the matter to court in an effort to get Byers Warehouse and Vulcan Chemicals, the manufacturers of the first toxic chemical that leaked in the warehouse, to pay for the private security.

Circuit Court Judge Merrill

Steeb has not decided on the request yet. Steeb said he wanted expert testimony before rendering a decision.

The city had indicated that it wanted to wait for the court to rule on who pays for the private security before letting Wells Fargo take over. But that was before the court took the matter under advisement and put off a ruling.

Vulcan Chemicals has agreed verbally to pay the city for its costs in guarding the building through December, a bill that is more than \$30,000. The firm did not agree to pay for private security.



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SUPERFUND RECORDS

Bahamas firm said to be part of Rose transfers

A company located in the Bahamas has been added to the list of firms that allegedly received funds that were meant to be used for hazardous waste destruction by Martha C. Rose Chemicals Inc.

The company, I.D.C. Ltd., was formed in February 1985 by James Carolan, the son of Rose Chemical's majority owner, Walter Carolan Jr., according to documents filed last week with the U.S. Bankruptcy Court in Kansas City.

The documents did not detail what the company does, but they indicated that I.D.C. was one of six companies controlled by the Carolans that allegedly participated in intercompany transfers of money that should have gone to destroy PCBs.

Rose Chemicals was a Kansas City-based hazardous waste company that operated a facility in Holden, Mo., to destroy PCBs, or polychlorinated biphenyls, a chemical suspected of causing cancer. Manufacturing PCBs, which were long used as insulation for mineral oil in electrical transformers and capacitors, has been banned in the United States since 1976.

Rose Chemicals ceased operations in March 1986, leaving a warehouse full of PCBs in Holden that federal environmental officials have estimated could cost more than \$10 million to clean up.

The company was forced into involuntary bankruptcy proceedings last July by four utilities that had sent PCBs to Rose Chemicals: Illinois Power Co., Southwestern Electric Power Co., Louisiana Electric Co. and Kansas Power and Light Co.

In February, Bankruptcy Judge Frank Koger denied a motion by attorneys for the utilities and Rose Chemicals' bankruptcy trustee to consolidate three firms — American Steel Works Inc., W.C. Carolan Co. and Dust Suppression Systems Inc. — into the bankruptcy proceedings.

In March, however, the attorneys filed another motion to consolidate the companies. The motion contained new evidence showing that Walter and James Carolan allegedly used much of the \$8 million companies paid to Rose Chemicals over a four-year period for personal use.